



February 25, 2005

HOUSE BILL No. 1235

DIGEST OF HB 1235 (Updated February 23, 2005 12:26 pm - DI 113)

Citations Affected: IC 5-10.2; noncode.

Synopsis: Reemployment of PERF and TRF members. Increases the exempt amount (the annual amount a retired member of the public employees' retirement fund or the teachers' retirement fund who has not attained the Social Security normal retirement age may earn in a covered position before the member's retirement benefit stops and the member must again make contributions to the member's retirement fund) from \$25,000 to \$35,000. Provides that interest credited prior to July 1, 2005, in the annuity savings account of the public employees' retirement fund to suspended members participating in its guaranteed fund shall be treated as properly credited.

Effective: July 1, 2005.

Buell, Hinkle, Klinker, Kersey

January 6, 2005, read first time and referred to Committee on Employment and Labor.
February 14, 2005, amended, reported — Do Pass; referred to Committee on Ways and Means pursuant to Rule 127.
February 24, 2005, amended, reported — Do Pass.

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HB 1235—LS 6931/DI 102+



February 25, 2005

First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

HOUSE BILL No. 1235

A BILL FOR AN ACT to amend the Indiana Code concerning pensions.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 5-10.2-4-8 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) As used in this
3 section, "exempt amount" means, in the case of a member who has not
4 attained the Social Security normal retirement age for unreduced
5 benefits, ~~twenty-five thousand dollars (\$25,000)~~, **thirty-five thousand dollars (\$35,000)**,
6 computed for the calendar year in which a retired public employees'
7 retirement fund member is reemployed and computed for the fiscal year
8 in which a retired teachers' retirement fund member is reemployed.

9 (b) This subsection does not apply to a member who is employed by
10 the department of education. If a member who is receiving retirement
11 benefits and who has not attained the Social Security normal retirement
12 age for unreduced benefits:

13 (1) becomes reemployed in a position covered by this article; and
14 (2) earns in that position more than the exempt amount;
15 his retirement benefit payments shall stop, and the member shall begin
16 making contributions as required in IC 5-10.2-3-2. However, employer
17 contributions shall be made throughout the period of reemployment.

HB 1235—LS 6931/DI 102+



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1 The earnings limitation under this subsection does not apply to a
2 member who has attained the Social Security normal retirement age for
3 unreduced benefits.

4 (c) If a member who is receiving retirement benefits is reemployed
5 in a position covered by this article not more than ninety (90) days after
6 the member's retirement, the member's retirement benefits shall stop,
7 the member shall begin making contributions as required by
8 IC 5-10.2-3-2, and employer contributions shall be made throughout
9 the period of reemployment.

10 (d) If a retired member is reemployed in a position covered by this
11 article, section 10 of this chapter applies to the member upon the
12 member's retirement from reemployment.

13 SECTION 2. [EFFECTIVE JULY 1, 2005] **IC 5-10.2-4-8, as**
14 **amended by this act, applies to:**

15 **(1) fiscal years that begin after June 30, 2005, for teachers'**
16 **retirement fund members; and**

17 **(2) calendar years that begin after December 31, 2005, for**
18 **public employees' retirement fund members.**

19 SECTION 3. [EFFECTIVE JULY 1, 2005] **Interest credited prior**
20 **to July 1, 2005, in the annuity savings account of the public**
21 **employees' retirement fund to suspended members participating**
22 **in the guaranteed fund under IC 5-10.2-2-3 shall be treated as**
23 **properly credited.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Employment and Labor, to which was referred House Bill 1235, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, after line 18, begin a new paragraph and insert:

"SECTION 3. [EFFECTIVE JULY 1, 2005] Interest credited prior to July 1, 2005, in the annuity savings account of the public employees' retirement fund to suspended members participating in the guaranteed fund under IC 5-10.2-2-3 shall be treated as properly credited."

and when so amended that said bill do pass.

(Reference is to HB 1235 as introduced.)

TORR, Chair

Committee Vote: yeas 12, nays 0.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1235, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 5, delete "forty-five" and insert "**thirty-five**".

Page 1, line 5, delete "(\$45,000)," and insert "**(\$35,000),**".

and when so amended that said bill do pass.

(Reference is to HB 1235 as printed February 15, 2005.)

ESPICH, Chair

Committee Vote: yeas 19, nays 0.

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